

# TRANSPORTATION—Are We There Yet?

## Achieving the Vision—2009

# Intercity passenger rail



## Acknowledgements

AASHTO would like to thank the Standing Committee on Rail Transportation, AASHTO staff and consultants David Ewing and Steve Hewitt for their contribution to the development of this report.

# Foreword

AASHTO's policy recommendations for the authorization of the next surface transportation program states that it is "...time for the United States to provide a robust intercity passenger rail network that provides competitive, reliable, and frequent passenger service, comparable to world class systems in other countries. "

To get there AASHTO calls the development of "A National Rail Policy," to cover both passenger and freight rail. AASHTO supports the creation of an Intercity Passenger Rail Account, funded at \$35 billion over six years from a diversified portfolio of new revenue, to provide dedicated, guaranteed funding (with budgetary treatment identical to the highway account, including firewalls, guaranteed spending and contract authority) to states to meet their needs for capital improvements.

This is a strong recommendation based on a decade of work—research, policy development, and advocacy—responding to the increasing number of states that are or are planning to provide intercity passenger rail service.

This report was prepared at the request of AASHTO's Standing Committee on Rail Transportation currently chaired by Gene Conti, the Secretary of Transportation for the State of North Carolina. It provides for AASHTO's members and others committed to developing a national intercity passenger rail system a summary of the recent favorable actions by Congress and the Obama Administration, a description of the work of the states over the past decade, the views of the essential partners to the states and other commentators, and some guidelines for advancing the effort.

Secretary Conti and Frank Busalacchi, Secretary of Transportation for the Wisconsin Department of Transportation and Chair of AASHTO's Intercity Passenger Rail Leadership Group will be leading AASHTO's members forward on the effort to make real the vision for passenger rail.



  
John Horsley  
Executive Director, AASHTO

# Achieving the Vision for Intercity Passenger Rail.

## A State Plan for Action

**I**t is time for the United States to provide a robust intercity passenger network that provides competitive, reliable, and frequent passenger service, comparable to world-class systems in other countries. AASHTO commends Congress for passing legislation reauthorizing AMTRAK and providing much needed authorization for state DOTs to invest in intercity passenger rail infrastructure projects.

The next two essential steps are passing a national rail policy and funding an intercity rail capital improvement program.

### National Rail Policy

AASHTO urges Congress to enact a National Rail Policy which outlines the importance to the country of there being a national rail network capable of moving passengers and freight effectively and efficiently. This policy should address the importance of a rail system that can help alleviate highway and airport system congestion, reduce greenhouse gas emissions, and provide travel options for the public.

A National Rail Policy should address a national intercity passenger rail system which includes:

- ✦ **High-Speed Rail Corridors** (110 mph and above)—Corridors under 500 miles with travel demand, population density and congestion on competing modes warrant high-speed rail service.
- ✦ **Regional Corridors** (79–110 mph)—Corridors under 500 miles, with frequent, reliable service competing successfully with auto and air travel.
- ✦ **Long-Distance Service**—Corridors greater than 500 miles in order to provide basic connectivity and a balanced national transportation system.

### Capital Funding

Congress should create an Intercity Passenger Rail Account, funded from a diversified portfolio of new revenue, to provide dedicated, guaranteed funding (with budgetary treatment identical to the highway account,

including firewalls, guaranteed spending, and contract authority) to states to meet their needs for capital improvements. Over the next six years investment should total \$35 billion.

Congress should:

- ✦ Authorize at least \$5 billion annually for a state capital grant program for equipment and infrastructure projects.
- ✦ Provide \$13 billion from General Fund Revenues to Amtrak for capital infrastructure improvements to bring the Northeast Corridor up to a state of good repair.
- ✦ Authorize a High-Speed Rail Grade Crossing Elimination Program at \$55 million per year (\$5 million per federally designated corridor).

In addition, other key steps include the following:

- ✦ Congress should provide a framework for negotiating passenger rail access on private freight railroads.
- ✦ Performance measures should be linked to policy objects at the national level and separate from awarding of grants for intercity passenger rail.
- ✦ Congress should continue and expand the Section 130 Grade Crossing Program and allow for half the cost of upgrading a crossing to be used as an incentive to close the crossing.

AASHTO supports federal tax credits for freight rail infrastructure improvements with a clearly defined public benefit such as intercity passenger rail.



# Executive Summary

Over the past 10 years, the states have spearheaded the effort to develop and fund a national intercity passenger rail system. States around the country have planned, financed, and delivered successful intercity passenger rail service. Collectively, through the American Association of State Highway and Transportation Officials (AASHTO) and the States for Passenger Rail Coalition the states have urged the federal government to support the creation of an integrated, fully funded, intercity passenger rail system and to incorporate passenger rail as an essential element of the nation's surface transportation system.

A series of actions in the past two years, advocated and supported by the states, signal new and solid consensus within the federal government. Both Congress and the Executive Branch have expressed support of an intercity passenger rail system to meet the mobility needs of the 21<sup>st</sup> Century.

- ✦ Congress has provided funding sufficient for the continued responsible operation of Amtrak and after a decade-long hiatus passed an Amtrak authorization.
- ✦ For FY08, the Congress appropriated \$30 million for the first intercity passenger rail state capital grant program; FRA received 25 applications from 22 states and made 15 awards.
- ✦ The FY09 appropriations increased the funds available to \$90 million (and included \$25 million in rail line relocation funding).
- ✦ Culminating a several-year effort, the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) was enacted authorizing \$1.9 billion over five years for grants to states for intercity passenger rail.
- ✦ On February 17, 2009, \$8 billion was authorized for intercity passenger rail as part of The American Recovery and Reinvestment Act.
- ✦ President Obama's April 2009 "Vision for High-Speed Rail in America" offers a bold vision for the future and, importantly, realistic steps to getting there.
- ✦ President Obama's 2010 Budget included \$1 billion for high-speed rail.

## **This report:**

- ✦ Documents the successful efforts of the states to initiate intercity passenger rail service.
- ✦ Describes the federal government role in developing a world-class national intercity passenger rail system.
- ✦ Summarizes the analysis and advocacy by AASHTO on behalf of intercity passenger rail over the last decade.
- ✦ Offers guidelines for translating the vision for intercity passenger rail into a feasible future.

Giving the nation the intercity passenger rail service it needs will require a strong and continuous collaboration between the federal government, the states, the freight railroads, Amtrak, and all of the interested parties who support this objective.

"AASHTO believes that intercity passenger rail service is a basic element of the nation's multimodal transportation system, relieving highway and airport congestion in a safe, environmentally responsible way...AASHTO urges Congress to: Enact legislation ensuring that the nation's travelers will have efficient and dependable intercity passenger rail service."

*–Transportation 2002: The Action Agenda,  
American Association of State Highway and Transportation Officials*

"Congress should provide dedicated federal funding (\$35 billion over six years) for the development of a fast and reliable national intercity rail passenger network that provides competitive, reliable, and frequent passenger service, comparable to world-class systems in other countries.

The national intercity passenger rail network shall be comprised of:

- High-speed rail corridors (110 mph and above), for corridors under 500 miles where travel demand, population density, and congestion on competing modes warrant high speed rail service;
- Regional corridors (79–110 mph), for corridors under 500 miles where frequent, reliable service competes successfully with auto and air travel; and
- Long distance service, for corridors greater than 500 miles, in order to provide basic connectivity and a balanced national transportation system."

*– AASHTO policy recommendations for authorization, approved by AASHTO Board of Directors, October 2008*

"My high-speed rail proposal will lead to innovations that change the way we travel in America. We must start developing clean, energy-efficient transportation that will define our regions for centuries to come....High speed rail is long overdue, and this plan lets American travelers know that they are not doomed to a future of long lines at the airports or jammed cars on the highways."

*–President Barack Obama, at release of Vision for High  
Speed Rail: High-Speed Rail Strategic Plan, April 2009*

# Intercity Passenger Rail: A Vision for a Feasible Future

For many years the effort to establish, or reestablish, intercity passenger rail as an important element of the nation's transportation system has been bipolar—holding out the vision of 300-mile-per-hour trains, but struggling from year to year to just keep Amtrak afloat. Today, the states, Congress, the Obama Administration, and a wide array of transportation experts and interests agree that the United States needs a national intercity passenger rail system. Today, a vision of a future for intercity passenger rail appears achievable.

This report summarizes the status of that effort, recaps the steps that have been taken to get to this point, especially, by the states, and offers material for the purpose of continuing to fill out and implement that vision.

## The Federal Government

In recent years, the nation has struggled to maintain and expand a safe, secure, environmentally sound, and reliable, national surface transportation system. In the process, it has become clear that ensuring the viable, reliable, and efficient system that the nation needs will require integrating **all** modes of transportation in the national passenger and freight mobility system.

States have led efforts to develop intercity passenger rail, urging action by Congress since 2002. A series of actions in the past two years, advocated and supported by the states, signal a consensus within the federal government, both the Congress and the Executive Branch, in support of an intercity passenger rail system to meet the mobility needs of the 21<sup>st</sup> Century.

- ✦ Congress has provided funding sufficient for the continued responsible operation of Amtrak and after a decade-long hiatus passed an Amtrak authorization.
- ✦ For FY08 the Congress appropriated \$30 million for the first intercity passenger rail state capital grant program; FRA received 25 applications from 22 states and made 15 awards.

- ✦ The FY09 appropriations repeated and increased the funds available to \$90 million (and included \$25 million in rail line relocation funding).
- ✦ Culminating a several-year effort, the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) was enacted.
- ✦ On February 17<sup>th</sup> 2009, \$8 billion was authorized for intercity passenger rail as part of The American Recovery and Reinvestment Act.

PRIIA authorizes \$1.9 billion over five years for grants to states for intercity passenger rail capital projects, \$1.5 billion for high-speed rail corridor development, and \$325 million for rail congestion grants. PRIIA requires that state applicants prepare a comprehensive rail plan (passenger and freight) and requires that the Administrator of the Federal Railroad Administration “develop a long-range national rail plan that is consistent with approved state rail plans and the rail needs of the nation, as determined by the Secretary, in order to promote an integrated, cohesive, efficient, and optimized national rail system for the movement of goods and people” and to “develop a preliminary national rail plan within a year after the enactment of the Passenger Rail Investment and Improvement Act of 2008.”

Early in 2009, when the details of the final Congressional action on The American Recovery and Reinvestment Act became public, one of the biggest surprises was the inclusion of \$8 billion for intercity passenger rail. In the succeeding days, it became clear that this initiative was at the direct request of President Obama and that it reflected a long-term commitment to a national intercity passenger rail system. President Obama’s April 2009 “Vision for High-Speed Rail in America” offers both a bold vision for the future and, importantly, realistic steps to get there.

The President said “High-speed rail is long overdue, and this plan lets American travelers know they are not doomed to a future of long lines at the airports or jammed in cars on the highways.”

President Obama said, “We’re not talking about starting from scratch, we’re talking about using existing infrastructure to increase speeds on some routes from 70 miles an hour to over 100 miles per hour—so you’re taking existing rail lines, you’re upgrading them. And many corridors merit even faster service, but this is a first step that is quickly achievable, and it will create jobs, improving tracks, crossings, signal systems.”

In announcing strategic guidance for implementing the high-speed/intercity passenger rail provisions of his American Recovery and Reinvestment Act of 2009 (ARRA), President Obama outlined a strategic vision for the future of intercity passenger rail in the United States. In doing so, the President has provided states with a practical plan to achieve an interconnected national passenger rail system. The President has brought about an awareness of the importance of a national passenger rail system within the context of the national transportation network, and has demonstrated a willingness to make the much needed initial investments in the nation’s aging rail infrastructure so as to begin the process of turning the vision into reality.



"Everyone knows," said Vice President Joe Biden, "railways are the best way to connect communities to each other, and as a daily rail commuter for over 35 years, this announcement is near and dear to my heart. Investing in a high-speed rail system will lower our dependence on foreign oil and the bill for a tank of gas; loosen the congestion suffocating our highways and skyways; and significantly reduce the damage we do to our planet."

According to the latest edition of the Transportation Energy Data Book by the Oak Ridge National Laboratory: In 2005, Amtrak consumed 17% less energy per passenger-mile than domestic airlines and 21.4% less energy than cars.

In his transmittal of the strategic plan to Congress, Secretary of Transportation Ray LaHood, declared that "new challenges require creative new transportation solutions," and described the strategy for passenger rail as including "A combination of express and regional high-speed corridors evolving from upgraded, reliable intercity passenger rail service."

"...we're not talking about starting from scratch, we're talking about using existing infrastructure to increase speeds...but this is a first step... quickly achievable...will create jobs, improving tracks, crossings, signal systems."

*—President Obama, delivering guidance statement on  
April 16, 2009*



President Obama's proposed FY2010 budget put an exclamation point on the Administration's commitment to intercity passenger rail. It made clear that the ARRA funding was a foundation for long-term investment and not a one-time project funding opportunity. The Administration proposed a five-year \$5 billion high-speed rail state grant

program building on the \$8 billion down payment in the American Recovery and Reinvestment Act of 2009. Directed by the states, this investment will lead to the creation of several high-speed rail corridors across the country linking regional population centers.



Milwaukee Intermodal Station

## Examples of State-Initiated Intercity Passenger Rail Service Provided by States

- ❑ The Keystone Service, which operates between Harrisburg, Philadelphia, and New York City, had a 19.8 percent increase in ridership, surpassing one million passengers in 2008. Ticket revenue increased by 20 percent to \$24.7 million.
- ❑ New York's Empire Service, which operates daily between New York City, Albany/Rensselaer, and other upstate New York destinations, carried 994,293 passengers in the past year, a four percent increase over the same period last year. Ticket revenue topped \$41 million, a 6.5 percent hike over the previous year.
- ❑ On the Downeaster, operating several times daily between Portland, Maine, and Boston, Massachusetts, ridership grew 31 percent, reaching 474,492. The Downeaster also earned \$5.8 million, a 36.7 percent increase in ticket revenue from a year ago.
- ❑ Steep growth in ridership is also reported from the Amtrak hub in Chicago, with Hiawatha Service ridership up nearly 26 percent on the trains sponsored by the Wisconsin and Illinois state transportation departments. Nearly 750,000 passengers rode the seven daily round-trips between Milwaukee and Chicago last year, an increase of more than 150,000 passengers.
- ❑ The Illinois DOT also supports service between Chicago and Downstate Illinois, with more than one million passengers riding the routes, the first time that milestone has been reached. Ridership on the Chicago–St. Louis Lincoln Service corridor, via Bloomington–Normal and Springfield, is up 14 percent.; the Illini and Saluki route to Carbondale, via Champaign and Mattoon, ridership is up 15 percent. On the Illinois Zephyr and Carl Sandburg to Quincy via Galesburg and Macomb route, ridership is up 19 percent and totals 231,701, including local travel on the Southwest Chief and California Zephyr between Chicago and Galesburg.
- ❑ Elsewhere in the Central U.S., Kansas City to St. Louis ridership is up by more than 30 percent on the two daily round-trips sponsored by the Missouri Department of Transportation. The Heartland Flyer



Milwaukee Airport Rail Station

ridership between Fort Worth and Oklahoma City increased by 18.5 percent on the daily round-trip supported by the Texas and Oklahoma state departments of transportation.

- ✦ In Southern California, Amtrak Pacific Surfliner service operating between San Diego and San Luis Obispo, carried more than 2.89 million passengers, a seven percent increase. Ticket revenue was more than \$51 million, an increase of nine percent.
- ✦ In the Central Valley, the San Joaquins service, Oakland/Sacramento to Bakersfield, carried nearly a million passengers (949,611) an 18 percent increase with \$2.9 million in ticket revenue, a 21.6 percent increase. July 2008 ridership topped 100,000 passengers for the first time in the history of this service, a 32 percent increase over July 2007.
- ✦ In Northern California, more than 1.69 million passengers rode the Capitol Corridor service, Auburn to San Jose, a 16.8 increase over the same period last year. Ticket revenue was up 23 percent, reaching \$22 million.
- ✦ In the Pacific Northwest, ridership on the Amtrak Cascades service, Eugene, Oregon to Vancouver, B.C. was up more than 12 percent (760,323). Ticket revenue exceeded \$20 million, an increase of 15 percent. This service has seen double digit increases for the past nine months (January–September 2008).
- ✦ Collectively, the North Carolina state-supported *Carolinian* and *Piedmont* services carried 361,368 passengers and brought in more than \$17 million in ticket revenue. Offering daily service between Charlotte and New York, the *Carolinian* increased ridership by 15.3 percent, totaling 295,427 passengers. The *Piedmont*, which operates daily between Raleigh and Charlotte, NC, carried a total of 65,941 passengers, which represents an unprecedented 30.4 percent increase. Ticket revenue on this route also saw a significant increase of 29.8 percent.

**Source:** *Investing in Infrastructure*, Frank Busalacchi, Secretary of Transportation, State of Wisconsin, Testimony for House Committee on Transportation and Infrastructure.

"A historic announcement representing a new level of federal commitment that was most welcome. This is a stepping stone to the future."

—Allen Biehler, President, AASHTO;  
Secretary of Transportation, Pennsylvania DOT



## The States

Over the past 10 years, the states have spearheaded the effort to develop and fund a national intercity passenger rail system. The states most committed to advancing intercity passenger rail banded together as the States for Passenger

Rail Coalition which has since served as the action arm for the states on intercity passenger rail.

In testimony before the House Committee on Transportation and Infrastructure on "Investing in Infrastructure: The Road to Recovery" Frank Busalacchi, Secretary of the Wisconsin Department of Transportation, and Chair of the States for Passenger Rail Coalition (S4PRC), and a member of the National Surface Transportation Policy and Revenue Study Commission, cited growth in passenger rail ridership and offered a number of examples involving state-supported service from around the country.

The Wisconsin passenger rail effort is especially notable for its investment in intermodal facilities—a train station at the Milwaukee airport and an intermodal station in downtown Milwaukee.

AASHTO, under the direction of its members, has over, the past decade, produced a series of reports, policies, and action items calling for an integrated, fully funded national intercity passenger rail system, and for including passenger rail as an important and integral part of the nation's surface transportation system. These activities are described below.

**The annual AASHTO Action Agenda**, since 2002 has given priority to investment in intercity passenger rail. For 2009 the Action Agenda urges the Congress and the Administration to "develop a national intercity rail policy, in partnership with federal, state and local governments and expand passenger rail capacity through existing and new funding options." (See AASHTO Authorization policy recommendations below.)

**The AASHTO Intercity Passenger Rail Transportation Report** which was issued in 2002, as part of a family of *Bottom Line* reports addressing the reauthorization of the Transportation Equity Act of the 21<sup>st</sup> Century (TEA 21), examined "intercity rail passenger service in the United States and its role in our transportation system and economy, as well as its future." It further elaborated that "Rail passenger service does not exist in a vacuum. It is one element of a large and complicated multimodal transportation system. If that system is well-integrated and functions efficiently, it ties our communities together and links our



citizens and economic output to the rest of the nation and the rest of the world.” The report focused on the investment needs for existing and planned intercity passenger rail corridors. It provided the first comprehensive description of all of the nation’s operating and planned intercity passenger rail corridors and reported that state plans projected total investment need of nearly \$60 billion over the next 20 years. A 2008 update reported total investment need of \$95 billion over the next 20 years.

**AASHTO Policy on Intercity Passenger Rail.** Since 2002, AASHTO kept its policy current with the changing circumstances. The 2008 update urged Congress to enact intercity passenger rail legislation that would:

1. Establish a National Rail Transportation Policy.
2. Create a dedicated, sustainable source of funding for intercity passenger rail infrastructure improvements, to maintain, in partnership with the freight railroads and other stakeholders, a world class rail transportation network fueling economic growth and development.
3. Ensure the level of federal responsibility necessary for sustainable financing and system integrity, quality and accountability.
4. Establish a sound foundation for passenger rail service partnerships between the States and the federal government.
5. Provide a stable and fiscally responsible system for funding rail operating costs.
6. Incorporate sufficient flexibilities to enable the States to set their spending priorities and implementation timing based on their own unique circumstances, consistent with national rail transportation policy.
7. Continue Support for Long-Distance Service.

**The AASHTO Intercity Passenger Rail Leadership Group** was created in 2005 by AASHTO’s Board of Directors to provide more impetus to the passenger rail advocacy effort at the highest level of the state DOTs. The group was comprised of 13 state DOT CEOs from across the country (three from each AASHTO region and a Chair) charged with the responsibility of spearheading “...the effort to achieve enactment of legislation based on AASHTO policy, satisfactory to the interest of states, which creates a stable structure for the development of intercity passenger rail service into the future...” The membership reflected the unity of commitment to a national intercity passenger rail system among the diverse interests of states related to long-distance routes, state initiated corridor service, and the Northeast Corridor. The current Chair is Frank Busalacchi, Secretary of Transportation, state of Wisconsin.



Passengers boarding a train in Cary, North Carolina. *Photo courtesy of Ken Taylor.*

## CAPITAL FUNDING FOR INTERCITY PASSENGER RAIL

Congress should create an Intercity Passenger Rail Account, funded from a diversified portfolio of new revenue, to provide dedicated, guaranteed funding (with budgetary treatment identical to the highway account, including firewalls, guaranteed spending, and contract authority) to states to meet their needs for capital improvements. Over the next six years, investment should total \$35 billion.

### *Congress should:*

- ❑ Authorize at least \$5 billion annually for a state capital grant program for equipment and infrastructure projects.
- ❑ Provide \$13 billion from General Fund Revenues to Amtrak for capital infrastructure improvements to bring the Northeast Corridor up to a state of good repair.
- ❑ Authorize a High-Speed Rail Grade Crossing Elimination Program at \$55 million per year (\$5 million per federally designated corridor).

In addition, other key steps include the following:

- ❑ Congress should provide a framework for negotiating passenger rail access on private freight railroads.
- ❑ Performance measures should be linked to policy objects at the national level and separate from awarding of grants for intercity passenger rail.
- ❑ Congress should continue and expand the Section 130 Grade Crossing Program and allow for half the cost of upgrading a crossing to be used as an incentive to close the crossing.
- ❑ AASHTO supports federal tax credits for freight rail infrastructure improvements with a clearly defined public benefit such as intercity passenger rail.

**Source:** AASHTO's Policy Recommendations for Authorization.



Coach in service on North Carolina corridor.

"For many years, states have invested in intercity passenger rail and development of high-speed rail services. President Obama's bold vision has been embraced by many states and we are pleased to work with the president and the freight rail industry to help create jobs, enhance mobility and become more energy efficient."

—Eugene Conti, Secretary of the  
North Carolina Department of Transportation and  
Chair, AASHTO Standing Committee on Rail Transportation



**A New Vision for the 21<sup>st</sup> Century** reported the results of a Spring 2007 transportation vision conference that AASHTO organized in partnership with other associations who represent users, builders, and providers of our transportation system. The consensus view was that, "Intercity passenger rail service in North America can provide the travel-

ing public with a genuine transportation alternative. Passenger rail service which is well connected to other transportation modes and systems, including commuter rail and other public transit alternatives, will further enhance its utility....As a first step, Congress should enact a national system of intercity passenger rail, including resolution of Amtrak's role, and fund pilot projects to demonstrate the feasibility of high-speed passenger rail service. These objectives must recognize the necessity of expanding freight capacity and service while expanding passenger rail service."

**AASHTO's recommendations to the National Surface Transportation Policy and Revenue Study Commission** declared "There is a widespread conviction that states must play a leadership role in ensuring that any intercity passenger rail solution that is ultimately adopted will meet the mobility needs of 21<sup>st</sup> Century passengers and freight shippers, and contribute positively to economic growth and vitality of this nation. However, a national intercity passenger rail system requires action by the national government. Without the Federal government as a strong investment partner, there is no chance that the nation will have the intercity passenger rail service that is needed."

**The 2008 update of the comprehensive AASHTO Intercity Passenger Rail Transportation report**, provides information on the corridors profiled in a 2002 report and reports that a number of other states had become active on passenger rail in the meantime. The update reports planned investments of \$95 billion over 20 years. Projects totaling \$23 billion are queued up and could be undertaken quickly to expand passenger rail corridor travel.

In that report, the then New York State Department of Transportation (NYSDOT) Commissioner, Astrid Glynn, former Chair of the AASHTO Standing Committee on Rail Transportation (SCORT) underscored the need for an update to the 2002 report given the rapid expansion of interest, to "make current the estimates of infrastructure investments needed to carry out state rail plans for the expansion of intercity passenger rail service first reported by AASHTO in the 2002 report, *Intercity Passenger Rail Transportation*." Glynn went on to emphasize that "the federal government must be a strong and effective partner in developing a 21<sup>st</sup> Century national intercity passenger rail network."

"...the federal government must be a strong and effective partner in developing a 21<sup>st</sup> Century intercity passenger rail network."

– Former Commissioner Astrid Glynn, Commissioner,  
New York State Department; Past Chair,  
AASHTO Standing Committee on Rail Transportation



**In AASHTO's Strategic Plan for 2005–2010**, among its priorities was a call for increasing "...mobility by encouraging multimodal and intermodal solutions, policies and technologies." In order to accomplish this task, AASHTO pledged to "collaborate with shippers and carriers, relevant associations, and additional partners to develop funding and policy initiatives that help state DOTs improve multimodal and intermodal passenger and freight mobility."

**Transportation—Are We There Yet? Creating America's Future Transportation System, 2009** summarizes AASHTO's policy recommendations to Congress and the Administration, for the authorization of the surface transportation system. The current authorization for surface transportation programs expires on September 30, 2009.

"All of our transportation resources will be needed to meet future national needs. This will require continuation of the ability to flex highway funds to transit, and vice versa, continuation of the current eligibility of rail projects for funding, investment tax credits for rail



projects which benefit the public, and a planning process which considers all modal options and new funding programs to meet the substantial highway freight corridor needs.”

Furthermore, AASHTO noted that it is “...time for the United States to provide a robust intercity passenger rail network that provides competitive, reliable, and frequent passenger service, comparable to world class systems in other countries. “ Calling the enactment of PRIAA a “critical step forward,” AASHTO noted that two essential next steps are;

1. Passing a national rail policy, and
2. Funding an intercity passenger rail capital improvement program.

“All of our transportation resources will be needed to meet future national needs.”

—AASHTO’s Policy Recommendations for Authorization

A National Rail Policy should address a national intercity passenger rail system which includes:

- ✦ **High-Speed Rail Corridors** (110 mph and above)—Corridors under 500 miles with travel demand, population density, and congestion on competing modes warrant high-speed rail service.
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- ✦ **Long-Distance Service**—Corridors greater than 500 miles in order to provide basic connectivity and a balanced national transportation system.

AASHTO also makes recommendations for capital funding for intercity passenger rail by establishing an Intercity Passenger Rail Account funded at “\$35 Billion over six years from a diversified portfolio of new revenue, to provide dedicated, guaranteed funding (with budgetary treatment identical to the highway account, including firewalls, guaranteed spending and contract authority) to states to meet their needs for capital improvements.”

**The AASHTO Standing Committee on Rail Transportation (SCORT)** oversees and directs AASHTO’s research, policy development, and advocacy on passenger rail as well as freight. It provides an opportunity for state rail directors to exchange information and best practices to strengthen state rail programs. Secretary Gene Conti, NCDOT is the current Chairman of SCORT. Recently SCORT commissioned a *State Rail Planning Guidebook*. SCORT’s annual meeting features sessions on topics such as shared-use corridor management, financing passenger rail, and negotiating public–private agreements. The meeting has become an important national conference on rail with heavy participation by rail industry as well as public agencies. The materials referenced above may found on the passenger page of the SCORT web site at [www.rail.transportation.org](http://www.rail.transportation.org).

**The I-95 Coalition**—the granddaddy of the multistate transportation organizations, comprised of east coast states from Maine to Florida, released *A 2040 Vision for the I-95 Coalition Region —Supporting Economic Growth in a Carbon-Constrained Environment* in 2008.

In the introduction to the report, the Coalition describes its view that times have changed and a new approach is necessary. “The I-95 Corridor Coalition’s Vision project is a departure from the Coalition’s historic role that focused primarily on shorter-term operational improvements in the corridor. In the past, most day-to-day issues confronting the Coalition members have tended to be on a sub-regional scale. Today, however, it is increasingly recognized that there are a range of issues at a larger scale, the most obvious being the movement of people and freight within the north–south transportation corridor along the east coast, involving common concerns ranging from real-time operations to improved modal integration and the long-term viability of the system in light of energy and climate concerns.”

The Coalition goes on to say that the Vision project was “...designed to formulate and analyze an alternative vision of the future for the entire region—one which accommodates other key values and issues related to climate change, energy, a global economy, and quality of life, while re-examining the traditional modal mix and service options available for passenger and freight transportation in the corridor.”

Among the foundation Vision Principles enunciated by the Coalition were the following:

- ✦ Invest in a 21<sup>st</sup> Century multimodal transportation system for the I-95 region that provides mobility for an increasing population and supports economic growth;
- ✦ Support seamless integrated intermodal passenger and freight systems for I-95 corridor region travel;
- ✦ Increase the corridor share of passenger miles of travel and freight ton miles that are handled on non-highway modes;

The I-95 Coalition’s work is especially significant because it clearly provides a critical link between the individual state plans and the national rail plan as required by PRIIA. Further, the Coalition’s unique effort hints at the promise of multi-state efforts to deliver mega-projects to address complex, systemic bottlenecks.

## The Partners

### **The Perspective of Freight Railroads**

Freight railroads are central and essential to any “vision for a feasible future” for intercity passenger rail. Everywhere passenger trains run they share the tracks with freight trains and everywhere outside of the Northeast Corridors the tracks are owned by freight railroads. The law that allows the freight railroads to shed their responsibility for providing passenger rail service requires them to give Amtrak access to many of their tracks upon request. They are also required to charge Amtrak significantly discounted rates for that access, and must give Amtrak trains priority over all other trains.

A position paper of the Association of American Railroads (AAR) entitled *Support for Passenger Rail but Not at the Expense of Freight Rail* declares that “Freight railroads want passenger railroads to succeed, since rail of any kind is good for the economy and good for the environment.” But the report also cautions that, “The growth of passenger rail should complement—not conflict with—freight rail growth.” The paper enumerates measures that the AAR believes necessary to guarantee that both freight and passenger rail can operate successfully.

Important to the success of both is infrastructure investment. In September of 2007, Cambridge Systematics, Inc. produced the *National Rail Freight Infrastructure Capacity and Investment Study* for the AAR. The study was commissioned by AAR at the request of the National Surface Transportation Policy and Revenue Study Commission. It was described as “an assessment of the long-term capacity expansion needs of the continental U.S. freight railroads.” The study provided a “first approximation of the rail freight infrastructure improvements and investments needed to meet the U.S. Department of Transportation’s (U.S.DOT) projected demand for freight rail transportation in 2035.”

This study calculated investment needs based on growth forecast for freight but not passenger rail. It stated “...however, capacity is provided for the long distance Amtrak and local commuter passenger rail services that are currently operated over rail freight lines.” The study also acknowledged that “Additional investment, beyond that projected in this report, will be needed if the freight railroads host increased levels of passenger service.” The study focused on the “52,340 miles of primary rail freight corridors, which carry the preponderance of rail freight traffic.” Corridors, which the study reports, constitute “about one-third of all U.S. rail freight miles” and “are expected to absorb the bulk of the forecast traffic and nearly all of the investment to expand capacity.”

## ASSOCIATION OF AMERICAN RAILROADS:

*Excerpt from “SUPPORT FOR PASSENGER RAIL,  
BUT NOT AT THE EXPENSE OF FREIGHT RAIL”*

### *What Should Be Done?*

The growth of passenger rail should complement—not conflict with—freight rail growth. Freight railroads should be fully compensated for the use of their property by passenger trains. Freight railroads should not be forced to give commuter railroads access to their property without their consent. And freight railroads should be adequately protected from unfair liability. High-speed passenger trains should operate on tracks designated for their sole use, not on tracks used by freight trains.

### *Why?*

Freight railroads want passenger railroads to succeed, since rail of any kind is good for the economy and good for the environment. The key question is: what’s the best way for them to coexist? If passenger railroads impair freight railroads and force freight that otherwise would move by rail onto the highway, shipping costs would rise; highway gridlock would worsen; fuel consumption, pollution, and greenhouse gas emissions would increase; and transportation mobility would deteriorate. The right balance is essential.



California San Joaquin Corridor

In order to simply keep pace with economic growth and meet U.S. DOT's forecast demand, the study estimates that "an investment of \$148 billion (2007 dollars) for infrastructure expansion over the next 28 years is required..." The required investments are driven by three factors cited in the study: "demand, current system capacity, and infrastructure expansion costs. The U.S. DOT estimates that population growth, economic development, and trade will almost double the demand for rail freight transportation by 2035."

The findings of the study simply provide a "starting point for assessing future rail freight capacity and investment requirements." Currently, the AAR study is being updated and the analysis will include forecasts of passenger rail growth and investment needs related to it. The bottom line is that the findings of the *National Rail Freight Infrastructure Capacity and Investment Study*, clearly calls for increased investment in the infrastructure and also calls for a "national strategy that supports rail capacity expansion and investment."

"In summary, the findings point clearly to the need for more investment in rail freight infrastructure and a national strategy that supports rail capacity expansion and investment."

—*National Rail Freight Infrastructure Capacity and Investment Study, AAR*

No doubt, freight rail and intercity passenger rail are interconnected nationally and investment and policy decisions must include both segments of rail in any reasonable analysis of the future of the national transportation system in the United States.

In testimony given, April 1, 2009, to the House Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development for a hearing on "The Future of High Speed Rail, Intercity passenger Rail, and Amtrak," BNSF Railway Company Chairman,





Downeaster passenger service in Maine

President and Chief Executive Officer Matthew Rose, spoke of how “freight and passenger rail are interdependent in today’s policy, principle and economic environment.”

Rose, who was also a member of the National Surface Transportation Policy and Study Commission, described what he called “basic principles around this interface upon which the Commission agreed. These are basic rules of fairness, which make public–private cooperation possible and fruitful.”

**“Freight and passenger rail are interdependent in today’s policy, principle, and economic environment.”**

*–Matt Rose, Chairman, President, and Chief Executive Officer, BNSF Railway Company*

The key principles that Rose described were;

- ❑ Access by passenger providers to freight rail networks, where reasonable, must be negotiated at an arm’s length with freight railroads. This includes joint use tracks and rights of way, as well as opportunities for shared corridors with separate track structure for freight and passenger service.
- ❑ The impact on present and future corridor capacity must be mitigated to ensure that freight rail capacity is not reduced, but enhanced. This recognizes that speed differences between passenger and freight trains and certain well-defined passenger service requirements must be taken into account. There must be a fair assignment of costs based on the ongoing cost of passenger services, including the cost of upgrading and maintaining track, signals, and structures to support joint freight and passenger operations and the cost of maintaining and improving the safety and reliability of highways/railroad intersections in joint-use corridors.

- ☐ All host railroads must be adequately and comprehensively protected through indemnification and insurance for all risks associated with passenger rail service on their lines and in their rights of way.

In the closing remarks of his testimony, Rose made the following recommendations to Congress:

1. Observe the principles for passenger and freight joint-use of rail right-of-way that the Commission recognized, and be realistic about the kind of passenger service that can be achieved, given the limitations of joint use. Generally, those limitations are based on nothing less than the laws of physics and the consequences that flow from them.
2. Develop a realistic vision for passenger service that works for all stakeholders—including freight railroads and the nation’s shippers—and fully fund it.

### **The Amtrak Perspective**

A central element of a “feasible future” for intercity passenger rail in the United States: Amtrak. Created by Congress in 1970, the National Railroad Passenger Corporation (Amtrak) began operations in May 1971. It was created to continue the intercity passenger rail service once provided by the freight railroads. By law, Amtrak can operate passenger service on freight rail right-of-way at the incremental cost, a significant financial advantage. At present, Amtrak is the provider of service on all passenger rail corridors in the United States, including the Northeast Corridor where it owns the infrastructure, the long-distance routes on freight rail right-of-way, and under contract with states on state-initiated corridors which are nearly all owned by freight railroads.

“[Congress must] make this investment a national priority for the next decade and beyond if we are to remain a competitive and healthy economic engine in the world.”

—Joseph Boardman, President and CEO, Amtrak,  
Former Commissioner, New York Department of Transportation,  
and Past Chair, Standing Committee on Rail Transportation



Joseph H. Boardman, the current President and CEO of Amtrak and former FRA Administrator, as well as former Commissioner of the New York State Department of Transportation (NYSDOT), and Chairman of AASHTO’s rail committee has viewed intercity passenger rail from nearly every angle. Shortly after assuming the helm of Amtrak, he drafted a “strategic profile” for Amtrak for 2009–2013. In the profile,

Boardman references the fact that PRIIA “sets a national policy for intercity passenger rail with clear mission direction to provide efficient and effective intercity passenger rail mobility consisting of high quality service that is trip-time competitive with other intercity options. “That clear mission direction must be met with a vision that is incorporated and thought about in everything that Amtrak does.”

On January 28, 2009, Boardman appeared before the Subcommittee on Railroads, Pipelines, and Hazardous Materials of the House Committee on Transportation and Infrastructure. In his testimony, Boardman described the record ridership achieved by Amtrak in FY 2008. According to Boardman, Amtrak carried 28.7 million passengers in 2008, for an 11.7 percent increase over FY 2007. He further reported that each of the three business lines (Northeast Corridor, short-distance corridors, and long-distance trains) “grew markedly, and both May and July were record ridership months.” These positive achievements, “gave everyone a great sense of the strong demand that existed for intercity passenger rail service, and of the importance of the rail mode in delivering safer, greener, and healthier transportation for Americans.”

“However, in the first quarter of FY 2009,” Boardman reported, “...overall ridership has fallen below our expectations by nearly five percent and revenue is nearly seven percent below what we expected.” The decline, he testified, was generally led by the NEC business line and “particularly Acela Express” in terms of ridership and revenue. The short-distance corridors for early FY 2009 are experiencing mixed results and the long-distance train business line is “flattening out.”

Reflecting on these two sets of data, Boardman testified that they demonstrate the need for “investment at the levels in our recently enacted authorization bill (PRIIA) and the critical need for Amtrak to be ready to meet mobility needs of Americans as the United States faces a future marked by higher energy costs and a need to improve our environment.” He called on Congress to provide levels of funding that will help Amtrak “rebuild, replace, and renew its human capital, its passenger and locomotive fleet, and the critical infrastructure owned by both Amtrak and the freight railroads that carry 71 percent of Amtrak’s train miles, or face potential failure of one or many of the components of an efficient and critical rail network.” Citing the fact that this network provides “...surface connectivity for passengers and freight from coast to coast, and border to border,” he emphasized that Congress must “make this investment a national priority for the next decade and beyond, if we are to remain a competitive and healthy economic engine in the world.”

**“We could make a major leap forward by extending electrification...we should endeavor to connect our rail network grid all over the nation.”**

*—Joseph Boardman, President and CEO, Amtrak,  
Former Commissioner, New York Department of Transportation,  
and Past Chair, Standing Committee on Rail Transportation*

Boardman stressed the positive environmental aspects of rail (passenger and freight) and called the industry “greener than our competitors,” with a smaller carbon footprint. He emphasized, however, that “we could make a major leap forward by extending electrification. Amtrak operates the only intercity electrified corridor in the nation from Boston to Washington, DC through NYC.” He called for an extension of electrification “so that it operates from Miami to Maine for a greener and healthier future for the East Coast of the United States,” and eventually nation-wide. He noted the fact that other countries, such as China, are enacting electrification programs “where they are regarded as a vital component of future economic development.”



*Existing Intercity Passenger Rail Network, from Vision for the Future: U.S. Intercity Passenger Rail Network Through 2050, prepared by the Passenger Rail Working Group (PRWG), submitted to the National Surface Transportation Policy and Revenue Study Commission.*

In concluding his testimony, Boardman told the subcommittee that, “I think it’s time for us to look for the investment opportunity that will do for this century what the canals and the transcontinental railroads did for the nineteenth century and highways did for the twentieth.”

Understanding that in order to realize the plans he has laid out in his testimony, and in even more detail, in his “strategic profile,” Amtrak will need “substantial amounts of capital,” Boardman has determined that Amtrak will focus on three sources: “the federal appropriations process, intelligently advancing funds received from the stimulus package, and the government-supported loans.”

His “strategic profile” describes an Amtrak that will also “work to obtain capital sources that are distinct from the federal funding cycle.” Recognizing the stimulus package (ARRA) as a “one-time capital infusion that will equal or exceed our typical annual capital appropriation,....we need to invest it immediately in improvements to our stations, our facilities, bridges, and our equipment, and in the accelerated implementation of both PTC and ADA.” He notes that Amtrak will also “work with the FRA, our state partners, and the Administration to obtain a Railroad Rehabilitation and Improvement Financing (RRIF) loan to invest in new electric locomotives for the NEC.”





2050 PRWG Proposed Intercity Passenger Rail Network, from *Vision for the Future: U.S. Intercity Passenger Rail Network Through 2050*, prepared by the Passenger Rail Working Group (PRWG), submitted to the National Surface Transportation Policy and Revenue Study Commission.

## Other Perspectives

The states and their principal partners have not been alone in recommending increased investment in rail to provide real and realistic options for personal and freight mobility. The views of just a few of these “other voices” will be summarized below.

**The National Surface Transportation Policy and Revenue Study Commission**, which was created by the 109<sup>th</sup> Congress in Section 1909 Of SAFETEA-LU, was charged with providing Congress with a national surface transportation vision for the next 50 years. In carrying out its work, the Commission recognized that all modes of transportation must be considered, including passenger rail. While AASHTO’s 2008 update to its *Intercity Passenger Rail Transportation* report helped to provide some of the data required. Commission member and Wisconsin Secretary of Transportation, Frank Busalacchi, understanding that there was, generally, much less data available for intercity passenger rail than for other modes; established the Passenger Rail Working Group (PRWG). The PRWG was comprised of a diverse group of intercity passenger rail experts and transportation professionals. “Highway congestion, is only getting worse,” said Busalacchi, “Airline congestion and delays are continuing to mount. Gasoline prices are continuing to rise over \$3 per gallon. We need to develop and expand our passenger rail system, not only to provide needed mobility for our nation’s travelers, but also to help the nation’s environmental efforts to reduce greenhouse gases.” This group was tasked with providing the Commission with: recommendations on a 50-year national vision for intercity passenger rail; a cost estimate for that vision; a federal funding program for passenger rail; and a governance structure for program development.

December 6, 2007, the PRWG published its report entitled ***Vision for the Future—U.S Intercity Passenger Rail Network Through 2050***. In the report, among other things, the PRWG called for the need for a national approach, stressed the public, safety, and environmental benefits of intercity passenger rail, and provided capital cost/needs estimates for a National Intercity Passenger Rail Network from the perspective of an immediate timeframe (\$66.3 billion for 2007–2015) and a long-term timeframe (\$158.6 billion for 2016–2030).

The PRWG provided policy recommendations to the Commission. Those were:

- ✦ 1. Identify the national passenger rail network
- ✦ 2. Fund construction of the passenger rail system
- ✦ 3. Implement the passenger rail network
- ✦ 4. Create a national rail strategy
- ✦ 5. Invest in data collection to support multi-modal transportation planning

**"We need to develop and expand our passenger rail system, not only to provide needed mobility for our nation's travelers, but also to help the nation's environmental efforts to reduce greenhouse gases."**

*—Frank Busalacchi, Commission Member and Secretary,  
Wisconsin Department of Transportation and  
Chair, AASHTO Intercity Passenger Rail Leadership Group*



The National Surface Transportation Policy and Revenue Study Commission report, *Transportation for Tomorrow*, reflected its view that a national transportation system was vital to the national mobility, economy, and environment and must be multi-modal. In its "Call to Action," the Commission stated that "Our nation will need to put more emphasis on transit and intercity passenger rail and make them a priority for our country." To do this, the Commission determined that a "cultural shift will need to take place across America to encourage our citizens to take transit or passenger rail when the option is given." The Commission went on to state that "It is also important to increase the market share for freight rail, and to make significant increases in highway investment as part of developing a robust surface transportation network."

**Gil Carmichael**, former FRA Administrator and Chair of the Amtrak Reform Council posed the question "Is it time for Interstate II?" in a 1999 speech in Washington, DC and again last year at the World Congress on Intelligent Transportation Systems held in New York City in November, 2008. A long time transportation advocate and past member of the National Highway Safety Advisory Committee, Carmichael served on the 1975 National Transportation Policy Study Commission and, in that capacity, became a "believer in intermodal trans-

portation.” Subsequently, as the FRA Administrator, where he came into contact with the other modal leaders, he developed the concept of an Interstate II, as “a new vision of truly high speed intercity travel that is based upon steel, not pavement.....combines the proven efficiency of rail transportation with the strengths of the intermodal system....can take advantage of rights of way that already exist ---both rail and highways.”

## “Is it time for Interstate II?”

—Gil Carmichael, *Former FRA Administrator and Chair of the Amtrak Reform Council*

**Kenneth Orski**, long-time transportation advocate addressed the nation’s transportation needs in a February 25, 2009 article, “The Prospects for a National Transportation Infrastructure Agenda.” He assessed the key issues associated with the “prospects for a national infrastructure agenda.” He noted that there is a strong consensus for “a 21<sup>st</sup> Century Infrastructure Vision: a national infrastructure strategy, and a long-term commitment to its implementation” and identified the upcoming reauthorization of SAFETEA-LU as the “logical vehicle for defining and enacting a strategic infrastructure agenda.” Further, he offered his list of the four key components of the agenda:

- ✦ The preservation and enhancement of the existing Interstate Highway system;
- ✦ The establishment of a national network of multimodal freight corridors;
- ✦ A collection of “mega-projects” and public utility authorities addressing congestion in the nation’s largest metropolitan areas; and
- ✦ The final component will be the already funded high-speed intercity passenger rail program.

Orski elaborated on the final point as what “may become one of the Obama Administration’s signature initiatives, the high-speed rail program.” He quoted President Obama’s Chief of staff Rahm Emanuel as saying that “High-speed rail is the infrastructure bank” suggesting that the Administration’s plan for capital investment in infrastructure will be focused heavily on creating a national network of high-speed rail lines, much as the Eisenhower Administration focused on creating the interstate highway network.”

**Anthony Perl and Richard Gilbert** offer an academic perspective in their recently published book, *Transport Revolutions, Moving People and Freight Without Oil*. Their vision is an outlook to 2025 and is broad in its perspective. It sees a “railway redesign” as necessary in developing an efficient and reliable high-speed rail system in the United States. Further, it is their view that the ever-increasing price of oil could very well result in four kinds of “transport revolution”:

- “1. Now, almost all transport is propelled by internal combustion engines. In the future, transport will be propelled increasingly by electric motors, using electricity that is increasingly generated from renewable resources.

2. Now, almost all land transport is by vehicles that carry their fuel onboard: petrol (gasoline) or diesel fuel. In the future, much land transport will be in electric vehicles that are grid-connected; that is, they are powered while in motion, from wire or rails or in other ways.
3. Now, almost all marine transport is propelled by diesel engines. Their use will continue but with assistance from wind via sails and kites.
4. Now, air travel and air freight movement are the fastest growing transport activities. Soon they will begin to decline because there will be no adequate substitute for increasingly expensive aviation fuels based on petroleum oil. Air travel and air freight movement will continue, but at lower intensities and mostly in large, fuel-efficient aircraft flying a limited number of well-patronized routes, also with some use of partially solar-powered airships (dirigibles)”

Gilbert and Perl, while looking ahead to what they call the “next transport revolutions,” focus quite extensively on their expectations for rail in the future and the need for increasing rail capacity and the use of electrification. They emphasize that “new approaches to planning and development will be required to realize America’s extensive railway redesign.” They recognize that, given what would need to be done, there is no way that a “redesign” can be done by simply “scaling up.” In fact, they believe that a “new model for rail development will need to be devised to meet the challenges of very high oil prices.”

**The Government Accountability Office** (GAO) in March 2009 issued the report *High-Speed Passenger Rail—Future Development Will Depend on Addressing Financial and Other Challenges and Establishing a Clear Federal Role*. Done at the request of Congress, the report assesses how this “might fit into the national transportation system and address increasing mobility constraints on highways and at airports due to congestion.”

GAO reviewed the following:

1. The factors affecting the economic viability—meaning whether total social benefits offset or justify total social costs—of high-speed rail projects, including difficulties in determining the economic viability of proposed projects;
2. The challenges in developing and financing high-speed rail systems; and
3. The Federal role in the potential development of U.S. high-speed rail systems.

GAO’s analysis addressed some of the core practical issues that affect the economic viability of high speed rail lines including “the level of expected riders, costs, and public benefits, which are influenced by a line’s corridor and service characteristics. High-speed rail tends to attract riders in dense, highly populated corridors, especially where there is congestion on existing transportation modes. Costs largely hinge on the availability of rail right-of-way and on a corridor’s terrain.” The report strikes a cautionary note, stating that “uncertainty associated with rider and cost estimates and the valuation of public benefits makes it difficult to make such determinations on individual proposals.” And forecasts of rider and costs are often “optimistic, and the extent that the U.S. sponsors quantify and value public benefits varies.”

The GAO report identified the challenges facing project sponsors, including “securing the up-front investment for construction costs and sustaining public and political support and stakeholder consensus.” In examining the programs of Japan, France, and Spain, GAO learned that the “central government generally funded the majority of up-front costs of high-speed rail lines.” In the United States, by contrast, “federal funding for high-speed rail has been derived from general revenues, not from trust funds or other dedicated funding sources.”

“Without substantial public-sector commitment, concluded GAO, private-sector participation is difficult to secure.” The fact that these projects require long lead times compounds the challenge of “sustaining public support and stakeholder consensus...by numerous stakeholders, and by the absence of an established institutional framework.”

GAO did find that the recently enacted PRIIA and ARRA “will likely increase the federal role in the development of high-speed rail...” The GAO also found that “the national rail plan that is required by PRIIA is an opportunity to identify the vision and goals for U.S. high-speed rail and how it fits into the national transportation system, an exercise that has largely remained incomplete.”

The Government Accountability Office recommends that the “Secretary of Transportation develop a strategic vision of how high-speed passenger rail systems fit into the national transportation system....”

—GAO, *High-Speed Passenger Rail—Future Development Will Depend on Addressing Financial and Other Challenges and Establishing a Clear Federal Role*

Furthermore, the GAO recommended to Congress that the “Secretary of Transportation develop a strategic vision of how high-speed passenger rail systems fit into the national transportation system, and develop guidance and tools to improve the reliability and accuracy of ridership, cost and other forecasts for these systems.”

***In the Plan, Big Ideas for Change in America***, written by Rahm Emanuel (former Illinois Congressman and current Chief of Staff to President Obama) and Bruce Reed, the authors make the case that “Railroads are a highly efficient way to move people and goods. It takes only one gallon of diesel fuel to transport a ton of coal four hundred miles by rail. A 25 percent shift of freight from trucks to rail would save 15 billion gallons a year and save the average commuter 42 hours a year in traffic.” They go on to state that “High-speed rail could compete with air travel trips of up to 300 miles, saving energy and unclogging our airports and freeways. We ought to make low interest loans available for high-speed rail projects, and to put the same kind of smart investment into rail transportation that has succeeded with highways and airports.”

“Railroads are a highly efficient way to move people and goods.”

—Rahm Emanuel’s, *The Plan, Big Ideas for Change in America*



## Creating a Vision for “Feasible Future” for Intercity Passenger Rail in the United States

An article in the March, 17, 2009 issue of *USA Today*, stated, “Americans started falling out of love with trains 50 years ago, when thrilling silver airliners left locomotives far behind. Now President Obama and leaders in more than 30 states say it is time to embrace trains again—but newer, faster, ones that can transport passengers past gridlocked airports and highways on electrified railroads up to 200 miles per hour.”

We are not there yet, but we are on our way.

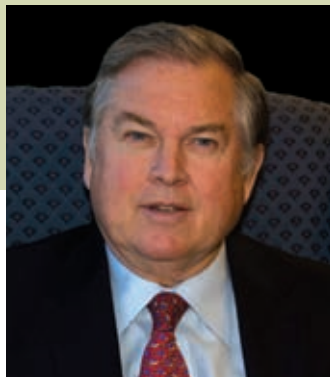
Eight billion dollars has been made available for intercity passenger rail through ARRA. The Administration has proposed that \$1 billion a year be appropriated for Intercity passenger rail over the next five years. President Obama has presented his *Vision for High Speed Rail in America*. PRIIA authorized an intercity passenger rail capital grants program for states and requires state rail plans that will be the basis for a national rail plan; and, reauthorized Amtrak. Several dozen states are providing passenger rail service or have initiated serious plans to do so.

Clearly the time has come for intercity passenger rail once again to play a significant role in the nation’s transportation system.

This reports describes the growing consensus in support of national intercity passenger rail and a willingness by the Administration, Congress, and the states to begin making the investments and incremental improvements necessary to bring these goals to fruition.

“Intercity passenger rail plans need to systematically address the tradeoffs between highway, aviation and intercity passenger rail as options in better meeting the needs for passenger travel in the 200 to 400-mile range. We would support a planning mandate in the authorization bill along these lines. Transit commuter rail, public transportation bus service, and private bus service need to be considered in this analysis as well.”

—John Horsley, Executive Director, AASHTO



Creating the vision and translating it into actions will require a strong and continuous collaboration between the federal government, the states, the freight railroads, Amtrak, and those who want first-class passenger rail service for the nation. AASHTO is committed to supporting this effort and offers the following as general guidelines:

- ✦ A National Rail System is a “living thing” which will need to grow incrementally and recognizing of the need for national connectivity is vital.
- ✦ Accepting the fact that building a national—connected—rail system in the United States will—even incrementally—require substantial investment; the growth and development of an efficient, effective, and reliable intercity passenger rail system will be predicated on identification and establishment of a sustainable, dedicated source of funding.
- ✦ A national intercity passenger rail system cannot grow and flourish without building a solid foundation of trust with the freight railroads. Understanding the concept of “first do no harm” will be a key factor in building that trust, and in gaining an understanding and respect for freight rail needs and concerns.
- ✦ There is a need to better understand and identify the societal benefits of a quality national intercity passenger system. Maximizing ways to identify and quantify such benefits is essential.
- ✦ Improved collaboration with other modes of transportation such as air and intercity bus is a critical factor that must be aggressively pursued in developing a sound national intercity passenger rail system.
- ✦ While it is widely recognized that a “cultural change” will be necessary to the successful development of a national intercity passenger rail system; it is important to recognize that effecting such changes will not be easy, nor will they be rapid. A patient approach and a recognition that the changes may need to be both subtle and complex as we deal with rooted settlement patterns and business culture.
- ✦ Recognition that a sound, reliable, effective, and efficient national passenger rail system in the United States will not be a replication of the European model. Improved frequency and reliability, as well as higher speeds are equally critical to the successful development of the system.

Achieving the vision of intercity passenger rail is within reach if America seizes this opportunity.

AMERICAN ASSOCIATION OF  
STATE HIGHWAY AND  
TRANSPORTATION OFFICIALS

**AASHTO**  
THE VOICE OF TRANSPORTATION

## AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS